

C - Economic Development Cabinet

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C - Economic Development Cabinet

Operating Budget

Summary Totals

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	22,083,200	22,083,200	22,083,200	20,619,300	20,619,300	20,000,300
Restricted Funds	5,030,600	5,030,600	5,030,600	5,720,000	5,720,000	5,954,000
Federal Funds	155,400	155,400	155,400	155,400	155,400	155,400
Regular Total Funds	27,269,200	27,269,200	27,269,200	26,494,700	26,494,700	26,109,700
Continuing	(6,500,000)	(6,500,000)	(6,500,000)	1,501,700	1,501,700	1,501,700
TOTAL FUNDS	20,769,200	20,769,200	20,769,200	27,996,400	27,996,400	27,611,400

II. EXPENDITURE CATEGORY

Personnel Costs	10,881,200	10,881,200	10,881,200	11,321,300	11,321,300	11,321,300
Operating Expenses	2,311,300	2,311,300	2,311,300	2,499,300	2,499,300	2,499,300
Grants, Loans, Benefits	7,576,700	7,576,700	7,576,700	13,210,800	13,210,800	12,810,800
Debt Service				965,000	965,000	980,000
TOTAL EXPENDITURES	20,769,200	20,769,200	20,769,200	27,996,400	27,996,400	27,611,400

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	22,083,200	22,083,200	22,083,200	19,985,300	19,985,300	19,985,300
Restricted Funds	5,030,600	5,030,600	4,609,800	5,720,000	5,720,000	5,299,200
Federal Funds	155,400	155,400	155,400	155,400	155,400	155,400
Regular Total Funds	27,269,200	27,269,200	26,848,400	25,860,700	25,860,700	25,439,900
Continuing	(6,500,000)	(6,500,000)	(6,500,000)	1,501,700	1,501,700	1,501,700
TOTAL BASE LEVEL	20,769,200	20,769,200	20,348,400	27,362,400	27,362,400	26,941,600

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				634,000	634,000	15,000
Restricted Funds			420,800			654,800
TOTAL ADDITIONAL			420,800	634,000	634,000	669,800

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CONFERENCE BUDGET REPORT - 2005 REGULAR SESSION OF THE GENERAL ASSEMBLY

C - Economic Development Cabinet

Capital Budget

Summary Totals

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	13,825,000	13,825,000	13,825,000	10,985,000	10,985,000	10,985,000
Bond Funds	20,000,000	20,000,000	15,250,000			
Agency Bonds			5,000,000			
TOTAL CAPITAL	33,825,000	33,825,000	34,075,000	10,985,000	10,985,000	10,985,000

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C - Economic Development Cabinet**Operating Budget****Secretary - Economic Development**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	7,977,200	7,977,200	7,977,200	11,918,300	12,152,300	11,533,300
Restricted Funds	1,984,900	1,984,900	1,984,900	2,432,700	2,432,700	2,666,700
Regular Total Funds	9,962,100	9,962,100	9,962,100	14,351,000	14,585,000	14,200,000
Continuing						
TOTAL FUNDS	9,962,100	9,962,100	9,962,100	14,351,000	14,585,000	14,200,000
II. EXPENDITURE CATEGORY						
Personnel Costs	4,513,200	4,513,200	4,513,200	4,638,900	4,638,900	4,638,900
Operating Expenses	1,023,100	1,023,100	1,023,100	1,136,300	1,136,300	1,136,300
Grants, Loans, Benefits	4,425,800	4,425,800	4,425,800	8,575,800	8,575,800	8,175,800
Debt Service					234,000	249,000
TOTAL EXPENDITURES	9,962,100	9,962,100	9,962,100	14,351,000	14,585,000	14,200,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	7,977,200	7,977,200	7,977,200	11,518,300	11,518,300	11,518,300
Restricted Funds	1,984,900	1,984,900	1,564,100	2,432,700	2,432,700	2,011,900
Regular Total Funds	9,962,100	9,962,100	9,541,300	13,951,000	13,951,000	13,530,200
Continuing						
TOTAL BASE LEVEL	9,962,100	9,962,100	9,541,300	13,951,000	13,951,000	13,530,200
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE						
General Fund				400,000	634,000	15,000
Restricted Funds			420,800			654,800
TOTAL ADDITIONAL			420,800	400,000	634,000	669,800
V. ADDITIONAL BUDGET ITEMS						
5 NEW Fayette County Community Ventures Corporation Initiatives						
ABRC36A0005 Fayette County Community Ventures Corporation Initiatives						
General Fund				400,000	400,000	
Project Total				400,000	400,000	
6 NEW New Debt Service						
ABRC36A0006 Provide debt service for Airport Relocation Assistance.						
General Fund					234,000	
Restricted Funds						234,000
Project Total					234,000	234,000

C - Economic Development Cabinet**Operating Budget****Secretary - Economic Development**

			Fiscal Year 2004-2005			Fiscal Year 2005-2006		
			House	Senate	Conference	House	Senate	Conference
7	NEW	Louisville Waterfront Development Corporation						
ABRC36A0007 Provide operating support.								
Restricted Funds					420,800			420,800
Project Total					420,800			420,800
8	NEW	Debt Service for Crispus Attucks - Small Business Incubator						
ABRC36A0008 Provides debt service for bonds.								
General Fund								15,000
Project Total								15,000
TOTAL ADDITIONAL					420,800	400,000	634,000	669,800

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Office of the Secretary

BILL AS INTRODUCED

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Department for Regional Development: Included in the above General Fund appropriation is \$251,900 in fiscal year 2004-2005 and \$256,200 in fiscal year 2005-2006 for the Department for Regional Development. Notwithstanding KRS 42.4592, the General Fund appropriations for the Department for Regional Development shall be funded from the Local Government Economic Development Fund prior to any other statutory distribution from the Local Government Economic Development Fund."

"Kentucky Technology Service Grant: Included in the above Restricted Funds appropriation is \$300,000 in fiscal year 2004-2005 and \$150,000 in fiscal year 2005-2006 for the Kentucky Technology Service Grant administered by the Kentucky Manufacturing Assistance Center. Included in the above General Fund appropriation is \$150,000 in fiscal year 2005-2006 for the Kentucky Technology Service Grant."

"Louisville Waterfront Development Corporation: Included in the above Restricted Funds appropriation is \$420,800 in fiscal year 2004-2005 and \$420,800 in fiscal year 2005-2006 for the Louisville Waterfront Development Corporation."

"Department of Innovation and Commercialization for a Knowledge-Based Economy: Included in the above Restricted Funds appropriation is \$560,600 in fiscal year 2004-2005 and \$1,140,000 in fiscal year 2005-2006 for the Department of Innovation and Commercialization for a Knowledge-Based Economy. Also included in the above General Fund appropriation is \$3,992,600 in fiscal year 2004-2005 and \$7,379,400 in fiscal year 2005-2006. A portion of these funds shall be used for the Innovation and Commercialization Centers and ideaFestival grant of \$1,500,000 in fiscal year 2005-2006 administered by the Kentucky Science and Technology Corporation."

**Fiscal Biennium 2004-2006
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Office of the Secretary

"New Economy High-Tech Construction and High-Tech Investment Pools: Included in the above General Fund appropriation is \$3,625,000 in fiscal year 2004-2005 and \$3,500,000 in fiscal year 2005-2006 for the Innovation and Commercialization High-Tech Construction and High-Tech Investment Pools. Notwithstanding KRS 42.4592, the General Fund appropriation for the Department of Innovation and Commercialization for a Knowledge-Based Economy shall be funded from the Local Government Economic Development Fund prior to any statutory distribution from the Local Government Economic Development Fund. The Commissioner of the Department of Innovation and Commercialization for a Knowledge-Based Economy shall determine the amounts to be apportioned between the High-Tech Investment and High-Tech Construction Pools."

"Funding for Innovation and Commercialization: Notwithstanding Subtitle 20 of KRS Chapter 154, interest income earned on balances in the High-Technology Construction Pool and the High-Technology Investment Pool shall be used to support the Department of Innovation and Commercialization for a Knowledge-Based Economy within the Cabinet for Economic Development. Upon the recommendation of the Commissioner, these funds are authorized and appropriated to fund High-Technology Construction Pool and High-Technology Investment Pool projects. Loan repayments received by the High-Technology Construction and High-Technology Investment Pools are appropriated in addition to amounts specified in Part II, Capital Projects Budget, of this Act."

The State/Executive Branch Budget Bill, Part II, Capital Budget, includes a language provision that directs:

"Apportionment of Funds: The Commissioner of the Department of Innovation and Commercialization for a Knowledge-Based Economy shall determine the amounts to be apportioned between the High-Tech Investment Pool and the High-Tech Construction Pool."

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House adds a Part I, Operating Budget, language provision as follows:

"Federal Research Laboratory: Agencies within state government, including but not limited to the Economic Development Cabinet, the Council on Postsecondary Education, the Office of the Governor, and the state postsecondary institutions shall provide technical assistance and pool resources as necessary for the purpose of recruiting a federal research laboratory to the Commonwealth. The Department of Innovation and Commercialization for a Knowledge-Based Economy shall serve as the central point of contact and coordination for this effort."

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Office of the Secretary

SENATE REPORT

The Senate concurs with the House Report with the following changes:

The Senate adds a Part I, Operating Budget, language provision as follows:

"Debt Service: Included in the above General Fund appropriation is \$234,000 in fiscal year 2005-2006 for debt service to support new bonds as set forth in Part II, Capital Project Budget of this Act."

The Senate deletes Part I, Operating Budget, language provisions as follows:

"Louisville Waterfront Development Corporation: Included in the above Restricted Funds appropriation is \$420,800 in fiscal year 2004-2005 and \$420,800 in fiscal year 2005-2006 for the Louisville Waterfront Development Corporation."

"Federal Research Laboratory: Agencies within state government, including but not limited to the Economic Development Cabinet, the Council on Postsecondary Education, the Office of the Governor, and the state postsecondary institutions shall provide technical assistance and pool resources as necessary for the purpose of recruiting a federal research laboratory to the Commonwealth. The Department of Innovation and Commercialization for a Knowledge-Based Economy shall serve as the central point of contact and coordination for this effort."

"Fayette County Community Ventures Corporation Initiatives: Included in the above General Fund appropriation is \$100,000 in fiscal year 2005-2006 for the Small Business Administration, Microloan Loan Loss Reserve Program, and \$300,000 in fiscal year 2005-2006 for the Third Street Exchange Program for operating and development support."

CONFERENCE REPORT

The Conference concurs with the Senate with the following change:

The Conference amends a Part I, Operating Budget, language provision as follows:

"Debt Service: Included in the above General Fund appropriation is \$15,000 in fiscal year 2005-2006 for debt service to support new bonds for the Crispus Attucks Small Business Incubator as set forth in Part II, Capital Projects Budget of this Act."

**Fiscal Biennium 2004-2006
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Office of the Secretary

"Included in the above Restricted Fund appropriation is \$234,000 in fiscal year 2005-2006 for debt service to support new bonds for Airport Relocation Assistance as set forth in Part II, Capital Projects Budget of this Act."

The Conference adds Part I, Operating Budget, language provisions as follows:

"Louisville Waterfront Development Corporation: Included in the above Restricted Funds appropriation is \$420,800 in fiscal year 2004-2005 and \$420,800 in fiscal year 2005-2006 for the Louisville Waterfront Development Corporation."

"Federal Research Laboratory: Agencies within state government, including but not limited to the Economic Development Cabinet, the Council on Postsecondary Education, the Office of the Governor, and the state postsecondary institutions shall provide technical assistance and pool resources as necessary for the purpose of recruiting a federal research laboratory to the Commonwealth. "

C - Economic Development Cabinet**Capital Budget****Secretary - Economic Development**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	11,575,000	11,575,000	11,575,000	10,985,000	10,985,000	10,985,000
Bond Funds		5,000,000	250,000			
Agency Bonds			5,000,000			
TOTAL CAPITAL	11,575,000	16,575,000	16,825,000	10,985,000	10,985,000	10,985,000
II. CAPITAL PROJECTS						
1	New Economy High-Tech Investment/Construction Pool					
PRJC36A0003						
Restricted Funds	11,575,000	11,575,000	11,575,000	10,985,000	10,985,000	10,985,000
Project Total	11,575,000	11,575,000	11,575,000	10,985,000	10,985,000	10,985,000
2	Airport Relocation Assistance					
PRJC36A0004						
Bond Funds		5,000,000				
Agency Bonds			5,000,000			
Project Total		5,000,000	5,000,000			
3	Crispus Attucks					
PRJC36A0005						
Bond Funds			250,000			
Project Total			250,000			
TOTAL CAPITAL	11,575,000	16,575,000	16,825,000	10,985,000	10,985,000	10,985,000

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C - Economic Development Cabinet**Operating Budget****New Business Development**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	1,556,100	1,556,100	1,556,100	1,556,100	1,556,100	1,556,100
Restricted Funds	366,800	366,800	366,800	580,000	580,000	580,000
Regular Total Funds	1,922,900	1,922,900	1,922,900	2,136,100	2,136,100	2,136,100
Continuing						
TOTAL FUNDS	1,922,900	1,922,900	1,922,900	2,136,100	2,136,100	2,136,100
II. EXPENDITURE CATEGORY						
Personnel Costs	1,501,100	1,501,100	1,501,100	1,601,100	1,601,100	1,601,100
Operating Expenses	336,800	336,800	336,800	450,000	450,000	450,000
Grants, Loans, Benefits	85,000	85,000	85,000	85,000	85,000	85,000
TOTAL EXPENDITURES	1,922,900	1,922,900	1,922,900	2,136,100	2,136,100	2,136,100
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	1,556,100	1,556,100	1,556,100	1,556,100	1,556,100	1,556,100
Restricted Funds	366,800	366,800	366,800	580,000	580,000	580,000
Regular Total Funds	1,922,900	1,922,900	1,922,900	2,136,100	2,136,100	2,136,100
Continuing						
TOTAL BASE LEVEL	1,922,900	1,922,900	1,922,900	2,136,100	2,136,100	2,136,100

Fiscal Biennium 2004-2006
Budget Modification Report

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Business Development

BILL AS INTRODUCED

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House Report.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

C - Economic Development Cabinet**Operating Budget****Financial Incentives**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	9,827,600	9,827,600	9,827,600	4,292,600	4,058,600	4,058,600
Restricted Funds	2,240,300	2,240,300	2,240,300	2,266,700	2,266,700	2,266,700
Regular Total Funds	12,067,900	12,067,900	12,067,900	6,559,300	6,325,300	6,325,300
Continuing	(6,500,000)	(6,500,000)	(6,500,000)	1,501,700	1,501,700	1,501,700
TOTAL FUNDS	5,567,900	5,567,900	5,567,900	8,061,000	7,827,000	7,827,000
II. EXPENDITURE CATEGORY						
Personnel Costs	2,228,400	2,228,400	2,228,400	2,272,400	2,272,400	2,272,400
Operating Expenses	323,600	323,600	323,600	323,600	323,600	323,600
Grants, Loans, Benefits	3,015,900	3,015,900	3,015,900	4,500,000	4,500,000	4,500,000
Debt Service				965,000	731,000	731,000
TOTAL EXPENDITURES	5,567,900	5,567,900	5,567,900	8,061,000	7,827,000	7,827,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	9,827,600	9,827,600	9,827,600	4,058,600	4,058,600	4,058,600
Restricted Funds	2,240,300	2,240,300	2,240,300	2,266,700	2,266,700	2,266,700
Regular Total Funds	12,067,900	12,067,900	12,067,900	6,325,300	6,325,300	6,325,300
Continuing	(6,500,000)	(6,500,000)	(6,500,000)	1,501,700	1,501,700	1,501,700
TOTAL BASE LEVEL	5,567,900	5,567,900	5,567,900	7,827,000	7,827,000	7,827,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE						
General Fund				234,000		
TOTAL ADDITIONAL				234,000		
V. ADDITIONAL BUDGET ITEMS						
1 NEW Debt Service						
ABRC36D0001 Provide funds for debt service						
General Fund				234,000		
Project Total				234,000		
TOTAL ADDITIONAL				234,000		

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Financial Incentives

BILL AS INTRODUCED

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Debt Service: Included in the above General Fund appropriation is \$731,000 in fiscal year 2005-2006 for debt service to support new bonds as set forth in Part II of this Act."

"Carry Forward of General Fund Appropriation Balance for Bluegrass State Skills Corporation: Notwithstanding KRS 45.229, the General Fund appropriation balance for fiscal year 2004-2005 and for fiscal year 2005-2006 for the Bluegrass State Skills Corporation shall not lapse and shall carry forward. The Corporation is authorized to extend an additional \$1,500,000 in training grant offers during the 2004-2006 biennium. In the event that such offers are made, and that disbursements are required to support those offers, funds shall be appropriated from the General Fund Surplus Account in an amount not to exceed \$1,500,000."

"Lapse of Special Revenue Fund Accounts: Balances remaining in the Special Revenue Fund accounts after all appropriations authorized in this bill are funded shall lapse to the Statewide Deferred Maintenance Fund at the end of each fiscal year."

"Kentucky Investment Fund Act Tax Credits: The total amount of Kentucky Investment Fund Act (KIFA) tax credits available to any single investment fund shall not exceed, in aggregate, \$1,300,000 for all investors and all taxable years. The total KIFA tax credits available for all investors in all investment funds shall not exceed \$5,000,000 per fiscal year."

The State/Executive Branch Budget Bill, Part II, Capital Budget, includes language provisions that direct:

"Economic Development Bond Issues: Before any economic development bonds are issued, the proposed bond issue shall be approved by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100, administration of the Economic Development Bond

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Financial Incentives

Program by the Secretary of the Cabinet for Economic Development is subject to the following guideline: project selection shall be documented when presented to the Secretary of the Finance and Administration Cabinet. Included in the documentation shall be the rationale for selection and expected economic development impact."

"Permissible Use of Available KEDFA Funds: Moneys available to the Kentucky Economic Development Finance Authority (KEDFA) under KRS 154.20-010 to 154.20-180 shall be used exclusively for the purposes of those statutes or as expressly provided for in this Act. Nothing in this Act shall prohibit the transfer of funds from KEDFA to the New Economy Program as set out in this Act."

Seeding Innovation Project: The Kentucky Economic Development Finance Authority Board is encouraged to work with the Department of Innovation and Commercialization for a Knowledge-Based Economy to provide up to \$500,000 each year of the 2004-2006 fiscal biennium to fund the Seeding Innovation Project for Kentucky's elementary and secondary schools.

Commercialization and Innovation: Notwithstanding any provisions of KRS 154.20-010 to 154.20-180 to the contrary, included in the Economic Development Bond Pool below is \$5,000,000 to support Department of Innovation and Commercialization for a Knowledge-Based Economy projects.

HOUSE REPORT

The House concurs with the Bill as Introduced with the following changes:

The House amends Part I, Operating Budget, language and appropriates an additional \$234,000 in General Fund debt service.

"Debt Service: Included in the above General Fund appropriation is \$965,000 in fiscal year 2005-2006 for debt service to support new bonds for the Economic Development Bond Pool as set forth in Part II, Capital Projects Budget of this Act."

SENATE REPORT

The Senate concurs with the House Report with the following change:

The Senate amends a Part I, Operating Budget, language provision and reduces General Fund debt service by \$234,000.

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Financial Incentives

"Debt Service: Included in the above General Fund appropriation is \$731,000 in fiscal year 2005-2006 for debt service to support new bonds for the Economic Development Bond Pool as set forth in Part II, Capital Projects Budget of this Act."

CONFERENCE REPORT

The Conference concurs with the Senate.

C - Economic Development Cabinet**Capital Budget****Financial Incentives**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	2,250,000	2,250,000	2,250,000			
Bond Funds	20,000,000	15,000,000	15,000,000			
TOTAL CAPITAL	22,250,000	17,250,000	17,250,000			
II. CAPITAL PROJECTS						
1 Economic Development Bond Program						
PRJC36D0001						
Bond Funds	15,000,000	15,000,000	15,000,000			
Project Total	15,000,000	15,000,000	15,000,000			
2 Purchase Regional Industrial Park						
PRJC36D0004						
Restricted Funds	2,250,000	2,250,000	2,250,000			
Project Total	2,250,000	2,250,000	2,250,000			
3 Airport Relocation Assistance						
PRJC36D0005						
Bond Funds	5,000,000					
Project Total	5,000,000					
TOTAL CAPITAL	22,250,000	17,250,000	17,250,000			

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C - Economic Development Cabinet**Operating Budget****Existing Business Development**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	2,722,300	2,722,300	2,722,300	2,852,300	2,852,300	2,852,300
Restricted Funds	438,600	438,600	438,600	440,600	440,600	440,600
Federal Funds	155,400	155,400	155,400	155,400	155,400	155,400
Regular Total Funds	3,316,300	3,316,300	3,316,300	3,448,300	3,448,300	3,448,300
Continuing						
TOTAL FUNDS	3,316,300	3,316,300	3,316,300	3,448,300	3,448,300	3,448,300
II. EXPENDITURE CATEGORY						
Personnel Costs	2,638,500	2,638,500	2,638,500	2,808,900	2,808,900	2,808,900
Operating Expenses	627,800	627,800	627,800	589,400	589,400	589,400
Grants, Loans, Benefits	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES	3,316,300	3,316,300	3,316,300	3,448,300	3,448,300	3,448,300
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	2,722,300	2,722,300	2,722,300	2,852,300	2,852,300	2,852,300
Restricted Funds	438,600	438,600	438,600	440,600	440,600	440,600
Federal Funds	155,400	155,400	155,400	155,400	155,400	155,400
Regular Total Funds	3,316,300	3,316,300	3,316,300	3,448,300	3,448,300	3,448,300
Continuing						
TOTAL BASE LEVEL	3,316,300	3,316,300	3,316,300	3,448,300	3,448,300	3,448,300

**Fiscal Biennium 2004-2006
Budget Modification Report**

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Community Development

BILL AS INTRODUCED

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House Report.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.